



# **SUPPLIER DIVERSITY PLAN**

**2009**

**Scott Jarvis**  
**Director**

## Message From the Director

The Washington State Department of Financial Institutions (DFI) is pleased to present its 2009 Supplier Diversity Plan. DFI supports, and will partner with, the Office of Minority and Women Owned Business Enterprises (OMWBE) to implement the Supplier Diversity Initiative. We believe that minority and women-owned businesses are an integral part of our community and economy and we accept the challenge of increasing contracting and procurement opportunities through outreach, opportunity and inclusion.

We support the statewide goals for minority and women-owned business participation established by the OMWBE and commit, to the maximum extent possible, to reaching goals within DFI in support of the statewide goals.

The following plan details our strategies for achieving our goals and increasing participation.

Scott Jarvis.

## **DFI Supplier Diversity Mission:**

The mission of DFI's supplier diversity initiative is to support the statewide minority and women-owned business participation goals by increasing the percentage of DFI expenditures on purchased goods and services, travel, and contracted services going to minority and women-owned businesses.

## **Goals:**

1. Meet the DFI goals for participation in the following categories:
  - Professional Services – 2% MBE, 2% WBE
  - Purchased Goods – 2% MBE, 8% WBE
  - Purchased Services – 2% MBE, 10% WBE
- (Note: Statewide Goals are as follows:
  - Professional Services – 10% MBE, 6% WBE
  - Purchased Goods – 8% MBE, 4% WBE
  - Purchased Services – 10% MBE, 4% WBE)
2. Continue to reach out to certified minority and women-owned businesses in our solicitations for contracted and purchased services through use of WEBS (Washington's Electronic Business Solution).
3. Continue to educate managers and procurement staff on opportunities to increase OMWBE participation.

## **Challenges:**

Since implementation of the 2006 Supplier Diversity Plan, DFI has continued to face challenges in meeting Agency OMWBE goals, particularly in the minority-owned firms categories. Challenges include:

1. Use of state contracts. Much of what DFI procures comes from services or products purchased from mandatory or master state contracts that may or may not include OMWBE firms. For example much of our IT purchases are made through DIS. Trainers in the human resource area are obtained through DOP's master consultants list via an interagency agreement between DFI and DOP. DFI does not receive credit for the purchase even if certified firms are on the master contract. In, addition, some state contracts require agencies to procure services in the order that the contractors are listed in a master contract such as for language translation services. Master contracts may list non-certified firms before certified ones.
2. Economies of Scale. Most minority and women owned firms tend to be small businesses. Larger businesses can often offer services cheaper

because of economies of scale. An example of this is DFI's use of Azumano Travel, a non-certified International firm with offices in Washington, who offers services much cheaper than Classic travel, a certified women-owned firm also on the state travel agency contract. In tough economic times, with the state facing large budget deficits, agencies will opt for that which is most economical to the state.

Rising to these challenges suggests the need for enterprise solutions and partnerships between large agencies with procurement roles, such as DIS and GA, partnering with the OMWBE to increase the number of OMWBE certified firm options on master contracts and to give credit to agencies when using firms off of state contracts. Capturing credits for subcontracts to OMWBE firms was also an issue raised in 2006 when the Supplier Diversity group was meeting.

In addition to enterprise solutions, agencies need to be vigilant in posting their RFPs to GA's WEBS system to gain more visibility of contracting efforts as well as making routine use of OMWBE's website and search tools in order to search for firms that might meet requirements of the contract. Both of these actions are captured in this plan.

### **Implementation Accountability:**

The Director of Administration is responsible for implementation of DFI's Supplier Diversity Plan. A Supplier Diversity Team is hereby created to carry out the plan. The Team shall consist of the Director of Administration, the Financial Manager, and the Administrative Support Manager. The team shall meet at least monthly to assess progress against the plan.

### **Measures to Increase Participation:**

The Director of Administration will:

1. Report to the Executive Team and the Director quarterly as reports are received from OMWBE on progress of the plan.
2. Educate the Executive Team and Program Managers on opportunities to increase participation.
3. Include goals and progress against the goals quarterly as part of GMAP presentations.
4. Ensure that all RFP's, RFQ's and RFQQ's are posted in GA's Washington's Electronic Business Solution (WEBS) system to increase exposure to minority and women-owned businesses.
5. Ensure that all RFP's, RFQ's and RFQQ's include an invitation clause encouraging participation by minority and women owned businesses.

The Director of Administration and the Financial Manager will continue to work with the Program Managers team to:

1. Educate them on opportunities for increasing participation.
2. Educate them on how to use the OMWBE website as a resource in looking for minority and women-owned businesses.
3. Report on progress against the plan.
4. Provide lists of MBE or WBE firms in the areas of purchased goods, purchased services, and professional services and encourage their use.
5. Attend Supplier Diversity Meetings.
6. Attend Diversity Seminars and other conferences to look for other opportunities to increase participation.

The Administrative Support Manager will:

1. Encourage minority and women-owned vendors that DFI works with to become certified.
2. Work through DFI's Lead Support Group to educate them on the initiative.
3. Educate the Lead Support Group on opportunities in purchasing activities to increase participation.
4. Provide lists of MBE or WBE firms in the areas of purchased goods, purchased services, and travel expenditures and encourage their use.
5. Report to the Lead Support Group on progress against the plan.
6. Attend Supplier Diversity Meetings
7. Attend Diversity Seminars and other conferences to look for other opportunities to increase participation.

### **Communication**

Communications will take place through the Executive Team, the Program Managers Team and the Lead Support Group. The Executive Team and the Program Managers within DFI are responsible for communication downward within their divisions.

### **Training**

The Director of Administration and Financial Manager are responsible for training the Program Managers on how to increase participation. The Administrative Support Manager will train the Lead Support staff that actually will do the procurements.

### **Forecasting and Contract goals**

Two months before the start of each fiscal year, the Divisional Director of Administration, Financial Manager, Contract Managers, and Fiscal Analyst 1 will meet to discuss the goals for each class of contract and purchasing activities. Major purchasing in the next fiscal year will be identified and opportunities for

participation will be noted. Any changes to the participation base from exception will be petitioned to OMWBE.

### **Monitoring and Ensuring Compliance of Contractors and Vendors**

The Director of Administration and Administrative Support Manager will review all contracts for actual deliverables before the final contract payment is made. This will ensure that the contractor has completed the terms and conditions of the contract.

### **Maintaining Records**

The Fiscal Office maintains the records of all expenditures made under any contracts or purchase orders.

### **Provision of Data WAC 326-40-50**

The Fiscal Manager processes all expenditures through AFRS and includes federal taxpayer identification numbers on all payments and OMWBE coding if appropriate. This information is automatically summarized monthly and sent to OMWBE.

### **Dispute Resolution**

The Director of Administration acts as primary contact regarding complaints. A committee consisting of Divisional Program Managers, Director of Administration, and Administrative Support Manager will work with the OMWBE office and provide any records or information as needed to resolve any disputes and investigate any complaints that arise from OMWBE contracting and procurement.

### **Plan Review**

The Director of Administration, Financial Manager and Administrative Support Manager will continue to review contracting and procurement documents, policies, and practices. If at any time current methods are found to create barriers to successful implementation of the plan they will adopt a plan to assure success.